



MEL CARNAHAN
GOVERNOR

MISSOURI
DEPARTMENT OF SOCIAL SERVICES
DIVISION OF MEDICAL SERVICES
P.O. BOX 6500
JEFFERSON CITY
65102-6500

RELAY MISSOURI
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573/751-6922

June 26, 1998

Nancy Coetschius
Health Care Financing Administration
Center for Medicaid and State Operations
Division of Integrated Health Systems
Room C-3-18-26
7500 Security Boulevard
Baltimore, MD 21244-1850

Dear Ms. Goetschius:

The State of Missouri requests those **modifications** that **may** be **necessary** to its 1115 demonstration award project 11-W-00122/7, **Managed Care Plus (MC+)**, in order to:

- ◆ Require a co-payment at the time of professional service for uninsured children with family income above 185 percent of the federal poverty level and at or below 225 percent of the federal poverty level;
- ◆ Require a co-payment at the time of professional service and a copayment for prescription(s) for children with family income above 225 percent of the federal poverty level and below 300 percent of the federal poverty level;
- ◆ Require a monthly premium for the child/children of a family with income above 225 percent of the federal poverty level and below 300 percent of the federal poverty level;
- 4 Expand coverage to noncustodial parents with family income at or below 125 percent of the federal poverty level;
- + Begin services for uninsured adults in February, 1999;

"AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER"
services provided on a nondiscriminatory basis

- ◆ Reimburse for extended women's health services through ~~fee-for-service~~ in all geographic areas;
- ◆ Establish a waiting list for services for adults, at the state's discretion, when the enrolled adult population reaches 34,000 uninsured women losing Medicaid eligibility and 66,000 other waiver eligible adults, which includes the additional 5,000 non-custodial parents; and
- ◆ Cover services for the expansion populations 30 calendar days after the date an application is received.

Since the approval of Missouri's 1115 waiver on April 28, 1998, the Missouri General Assembly passed Conference committee Substitute for Senate Bill No. 632, which will be effective August 28, 1998. Please see Attachment 1, Conference Committee Substitute for Senate Bill No. 632. The Missouri General Assembly required that, "Parents and guardians of uninsured children with available income between one hundred eighty-six and two hundred twenty-five percent of the federal poverty level are responsible for a fivedollar copayment." Please see Attachment 1, Section 5.

Parents and guardians of uninsured children with income above 225 percent and below 300 percent of the federal poverty level are responsible for co-payments ~~equal to~~ the average co-payments required in the current Missouri Consolidated Health Care Plan and a monthly premium equal to the statewide weighted average child/children premium required by the Missouri Consolidated Health Care Plan. The total aggregate cost sharing shall not exceed five percent of the family's income. No co-payments or other cost sharing is permitted with respect to benefits for well-baby care, including age appropriate immunizations. Please see Attachment 1, Section 6.

The co-payments for the Missouri Consolidated Plan are \$10 for a professional service and \$5 for each prescription. The statewide weighted average child/children monthly premium required by the Missouri Consolidated Health Care Plan is \$65, regardless of the number of children. Premiums will be collected by FIRST HEALTH Services, Missouri's enrollment broker, prior to the month of service. Co-payments will be collected by the provider at the time of professional service and by the pharmacy.

Families responsible for cost sharing shall be notified of their maximum liability for the 12 month period following service eligibility.

| Household Size | 2 | 3 | 4 | 5 |
|--------------------------------|----------|----------|----------|----------|
| 185% FPL | \$20,181 | \$25,389 | \$30,597 | 835,805 |
| Maximum Allowable Cost Sharing | \$1,009 | \$1,269 | \$1,730 | \$1,790 |
| Percentage of Income | 5.00% | 5.00% | 5.00% | 5.00% |
| | | | | |
| Maximum Allowable Cost Sharing | \$1,221 | \$1,536 | \$1,851 | \$2,166 |
| Percentage of Income | 5.00% | 5.00% | 5.00% | 5.00% |
| 300% FPL | \$32,550 | \$40,950 | \$49,350 | \$57,750 |
| Maximum Allowable Cost Sharing | \$1,628 | \$2,048 | \$2,468 | 92,887 |
| Percentage of income | 5.00% | 5.00% | 5.00% | 5.00% |

* Additional cost sharing maximums will be given as necessary.

When the total aggregate cost sharing has reached five percent of the family's income, all co-payments and premiums shall be waived for the remainder of the 12 month period. The cost sharing waiver shall be made upon notification and documentation of co-payments from the family that payments have been made up to five percent of their yearly available income. FIRST HEALTH Services will verify premium payments. See Attachment 2, the Children's Health Insurance Program Proposed Rule.

Services for uninsured children are on schedule to begin in September, 1998.

The Missouri General Assembly increased the poverty level for uninsured non-custodial parents to 125 percent of the federal poverty level. By raising the income level to 125 percent of the federal poverty level for uninsured non-custodial parents, we expect to cover 5,000 more Missourians. Please see Attachment 3, Appropriation Committee Worksheet and Section 11.470 of House Bill No. 1011, the Department of Social Services' appropriation bill.

In order to ensure the managed care health plans are capable of serving the expanded adult populations, services for adults in the 1115 waiver will begin in

Nancy Goetschius
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Page 4

February, 1999. The five year budget neutrality calculation for the adult population will begin in February, 1999.

Outreach activities for the adult programs will begin in January, 1999. Division of Family Services staff will notify adults with family income at or below 100 percent of poverty whose children are currently eligible. Individuals receiving benefits through the Transitional Medicaid and Medicaid for Pregnant Women programs will have coverage extended as they are identified. Individuals participating in the Parents' Fair Share (PFS) program will be referred for enrollment as part of the PFS assessment.

Fee-for-service reimbursement for extended women's health services in all geographic areas would be consistent with current federal freedom of choice provisions. According to these provisions if family planning services are sought out-of-plan by a member, the health plan is financially liable for payment of those services at the Medicaid fee-for-service rate.

The state's limit on coverage for adults to the extent that the coverage would not cause the costs to exceed budget neutrality is the appropriate means of assuring that state expenditures do not exceed the resources available to the state for the demonstration.

Missouri's waiver proposal stated that it would not offer retroactive eligibility to new populations and services would be provided through managed care where available. Covering services for the expansion populations 30 calendar days after the date an application is received is consistent with these provisions. See Attachment 2, Sections 6 and 7.

We appreciate your prompt attention to this matter. Please feel free to contact me if needed.

Sincerely,



Gregory A. Sadner
Director

GAV:kl
Enclosures

cc: Wayne Martin (with attachments)

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
CONFERENCE COMMITTEE SUBSTITUTE FOR
HOUSE SUBSTITUTE FOR
SENATE SUBSTITUTE NO. 2 FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 632
89TH GENERAL MSEMBLY
199s

S2371.23T

AN ACT

To amend chapter 208, RSMo, by adding thereto two new sections relating to providing health care coverage through Medicaid for certain uninsured children. with an expiration date for a certain section.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 208, RSMo, is amended by adding thereto two new sections, to be known as sections 208.185 and 208.187, to read as follows:

208.185. 1. Notwithstanding any other provision of law to the contrary, the department of social services shall establish a program to pay for health care for uninsured children. Coverage pursuant to sections 208.185 and 208.187 is subject to appropriation. The provisions of this section shall be void and of no effect after July 1, 2002.

2. For the purposes of this section, "children" are persons up to nineteen years of age. "Uninsured children" are persons up to nineteen years of age who have not had access to employer-subsidized health care insurance or other health care coverage for six months prior to application, are residents of the state of Missouri, and have parents or guardians who meet the requirements in subsection 4 of section 205.151, is not uninsured for the purposes of this section.

3. The department of social services is authorized to pay for coverage of health care services for uninsured children whose parents or guardians have an available income between zero percent and one hundred eighty-five percent, between

16 one hundred eighty-six percent and two hundred twenty-five percent, ~~between~~ two
17 hundred twenty-six percent and two hundred ~~fifty~~ percent, ~~between two~~ hundred
18 ~~fifty-one~~ percent and two hundred seventy-five percent and between two hundred
19 seventy-six percent and three hundred percent of the federal poverty level, subject
20 to appropriation-

21 4. Parents and guardians of uninsured children eligible for the program
22 established in this section shall:

23 (1) ~~Furnish~~ to the department of social services the uninsured child's social
24 security number or numbers, if the uninsured child has ~~more than~~ one such number;

25 (2) Cooperate with the department of social services in identifying and
26 providing information to assist the state in pursuing any third-party insurance
27 carrier who may be liable to pay for health care;

28 (3) Cooperate with the department of social services, division of child support
29 enforcement in establishing paternity and in obtaining support payments, including
30 medical support;

31 (4) Demonstrate upon request their child's participation in wellness programs
32 including immunizations and a periodic physical examination. This subdivision shall
33 not apply to any child whose parent or legal guardian objects in writing to such
34 wellness programs including immunizations and an annual physical examination
35 because of religious beliefs or medical contraindications; and

36 (5) Demonstrate annually that their total net worth does not exceed two
37 hundred fifty thousand dollars in total value.

38 5. Parents and guardians of uninsured children with available incomes
39 between one hundred eighty-six and two hundred twenty-five percent of the federal
40 poverty level are responsible for a five-dollar copayment.

41 6. Parents and guardians of uninsured children with incomes between two
42 hundred twenty-six and three hundred percent of the federal poverty level who do
43 not have access to affordable employer-sponsored health care insurance or other
44 affordable health care coverage may obtain coverage pursuant to this
45 subsection. For the purposes of this section, "affordable employer-sponsored health
46 care insurance or other affordable health care coverage" refers to health insurance
47 requiring a monthly premium less than or equal to one hundred thirty-three percent
48 of the monthly average premium required in the state's current Missouri
49 consolidated health care plan. The parents and guardians of eligible uninsured
50 children pursuant to this subsection are responsible for co-payments equal to the
51 average co-payments required in the current Missouri consolidated health care plan
52 rounded to the nearest dollar, and a monthly premium equal to the average premium

53 required for the Missouri consolidated **health care** plan; provided that the **total**
54 aggregate cost-sharing for a family covered by these sections shall **not exceed five**
55 percent of such family's income for the **years** involved. No copayments or other cost
56 sharing is permitted with respect to benefits for well-baby and well-child care
57 including age appropriate immunizations. Cost-sharing provisions pursuant to this
58 section shall not exceed the **limits** established by **42 U.S.C. Section 1397cc(e)**.

59 7. The department of social services shall implement policies establishing a
60 program to pay for health **care** for uninsured **children** by rules promulgated
61 pursuant to chapter **536, RSMo**, either statewide or in **certain** geographic **areas**,
62 subject to obtaining necessary federal approval and appropriation authority. **The**
63 rules may provide for a health **care services** package that includes all medical
64 **services** covered by section 208.152. **RSMo**, except nonemergency transportation.

65 8. Available income shall be determined by the department of **social services**
66 by rule, which shall comply with federal **laws** and **regulations** relating to the state's
67 eligibility to receive federal funds to implement the insurance program **established**
68 in this section.

69 9. There shall be a thirty day waiting period after enrollment for uninsured
70 children in families with an income of more than two hundred twenty-five percent
71 of the federal poverty level before the child becomes eligible for insurance under the
72 provisions of sections 208.185 to 208.187. If the parent or **guardian with an income**
73 of more than two hundred twenty-five percent of the federal poverty level **fails to**
74 meet the copayment or premium requirements, the **child shall not be eligible for**
75 coverage under this act for six months **after** the department provides **notice of such**
76 **failure** to the parent or guardian.

77 10. The department of **social** services shall commission a **study** on the **impact**
78 of this program **on** providing a comprehensive array of community-based **wrap**
79 around services for seriously emotionally disturbed children and **children affected by**
60 substance abuse. The department shall issue a report to the general assembly
81 within forty-five days of the twelve-month anniversary of the beginning **of this**
82 program **and** yearly thereafter. This report shall include recommendations **to the**
83 department on how to improve access to the provisions of community-based wrap
84 around services pursuant to sections 208.185 and 208.187.

85 11. The department of social services shall prepare **an** annual report **to the**
86 governor and the general assembly on the effect of this program. **The report shall**
87 include, but is not limited to:

88 (1) The number of **children** participating in the program in each **income**
89 category;

90 (2) The effect of the program **on** the number of **children** covered by **private**
91 **insurers**;

92 (3) The effect of the program **on** medical facilities, particularly **emergency**
93 **moms**;

94 (4) The overall effect of the program **on** the health **care** of **Missouri residents**;

95 (5) The overall cost of the program to the state **of Missouri**; and

96 (6) The methodology used to determine availability for the purpose of
97 enrollment, as established by rule.

98 12. The ~~department of social services~~ shall establish an identification
99 program to identify children not participating in the program though **eligible** for
100 extended medical coverage. The department's efforts to identify these ~~uninsured~~
101 children shall include, but not be limited to:

102 (1) Working closely with hospitals and other medical facilities; and

103 (2) ~~Establishing~~ a statewide ~~education~~ and information program.

104 13. The department ~~of social services~~ shall ~~commission~~ a study ~~on any~~
105 negative impact this program may have ~~on~~ the number of ~~children~~ covered by ~~private~~
106 ~~insurance~~ as a result of expanding health ~~care~~ coverage to ~~children~~ with a ~~gross~~
107 ~~family~~ income above one hundred ~~eighty-five~~ percent ~~of~~ the federal ~~poverty~~
108 level. The department shall issue a report to the general assembly within ~~forty-five~~
109 days of the twelve-month anniversary ~~of the beginning of this~~ program and ~~annually~~
110 thereafter. ~~If this~~ study demonstrates that a measurable negative impact ~~on~~ the
111 number ~~of~~ privately insured children is ~~occurring~~, the department ~~shall~~ take ~~one~~ or
112 more ~~of~~ the following measures targeted at eliminating the negative impact:

113 (1) Implementing additional ~~copayments~~, ~~sliding~~ scale ~~premiums~~ or ~~other~~
114 cost-sharing provisions;

115 (2) Adding an insurability test to preclude participation;

116 (3) Increasing the length ~~of~~ the required period of uninsured status ~~prior~~ to
117 application;

118 (4) ~~Limiting~~ enrollment to an annual open enrollment period for children
119 with gross family ~~incomes~~ above one hundred eighty-five percent of the federal
120 poverty level; and

121 (5) ~~Any~~ other measures designed to efficiently respond to the measurable
122 negative impact.

123 14. No funds used to pay ~~for insurance~~ or for services pursuant to ~~this~~
124 section may be expended to encourage, counsel or refer for abortion unless the
125 abortion is done to **save** the **Life** ~~of~~ the mother or if the unborn child **is** the result of
126 rape or incest. No funds may **be** paid pursuant to this section to any ~~person~~ or

127 organization that performs abortions or counsels or refers for abortion unless the
128 abortion is done to save the life of the mother or if the unborn child is the result of
129 rape of incest.

130 15. Any rule or portion of a rule, as that term is defined in section 536.010,
131 RSMo, that is promulgated under the authority delegated in this chapter shall
132 become effective only if the agency has fully complied with all of the requirements
133 of chapter 536, RSMo, including but not limited to, section 536.028, RSMo, if
134 applicable, after the effective date of this act. All rulemaking authority delegated
135 prior to the effective date of this act is of no force and effect and repealed as of the
136 effective date of this act, however, nothing in this section shall be interpreted to
137 repeal or affect the validity of any rule adopted or promulgated prior to the effective
138 date of this act. If the provisions of section 536.028, RSMo, apply, the provisions of
139 this section are nonseverable and if any of the powers vested with the general
140 assembly pursuant to section 536.028 to review, to delay the effective date, or to
141 disapprove and annul a rule or portion of a rule are held unconstitutional or invalid,
142 the purported grant of rulemaking authority and any rule so proposed and contained
143 in the order of rulemaking shall be invalid and void, except that nothing in this act
144 shall affect the validity of any rule adopted and promulgated prior to the effective
145 date of this act.

208.187. Up to ten percent of any federal funds received pursuant to the
2 provisions of Title XXI of the Social Security Act and up to ten percent of any state
3 funds used to match those federal funds may be used for outreach through the
4 division of medical services for children's health programs established through
5 section 208.185. The division of medical services may contract with local public
6 health agencies for purposes of this section. The provisions of this section shall be
7 subject to appropriations,

**Title 13 - DEPARTMENT OF SOCIAL SERVICES
Division 70 - Division of Medical Services
Chapter 4 - Conditions of Recipient Participation, Rights, and Responsibilities**

PROPOSED RULE

13 CSR 70 - 4.080 Children's Health Insurance Program.

PURPOSE: This rule establishes components of the Children's Health Insurance Program which will provide health care coverage to uninsured, low income children pursuant to Senate Bill 632 enacted by the 89th General Assembly, 1998.

(1) Definitions.

(A) **Available income.** For the purpose of this rule available income shall be defined as the household's total gross income compared to 185 percent, 225 percent and 300 percent of the federal poverty level for the household size.

(B) **Cost sharing.** Payment of co-payments and premiums.

(C) **Children.** Persons up to nineteen years of age.

(D) **Health insurance.** The term "health insurance" does not include short-term, accident, fixed indemnity, limited benefit or credit insurance, coverage issued as a supplement to liability insurance, insurance arising out of a workers' compensation or similar law, automobile medical-payment insurance, or insurance under which benefits are payable with or without regard to fault and which is statutorily required to be contained in any liability insurance policy or equivalent self-insurance.

(2) An uninsured child/children shall not have had health insurance for six months prior to the month of application pursuant to 208.185, RSMo.

(3) If a child/children had health insurance and such health insurance coverage was dropped, within six months prior to the month of application, the child is not eligible for coverage under this rule until six months after coverage was dropped,

(4) The six month period of ineligibility would not apply to children who lose health insurance due to:

(A) A parent's or guardian's loss of employment due to factors other than voluntary termination;

(B) A parent's or guardian's employment with a new employer that does not provide an option for dependent coverage;

(C) Expiration of a parent's or guardian's dependent COBRA coverage period; or

(D) Lapse of a child's (children's) health insurance when maintained by an individual other than custodial parent or guardian.

(5) Parent(s) and guardian(s) of uninsured children with available income above 225 percent and below 300 percent of the federal poverty level must certify, as part of the application process, that the child does not have access to affordable employer-sponsored health insurance or other affordable health insurance available to the parent(s) or guardian(s) through their association with an identifiable group (for example, a trade association, union, professional organization).

(A) Affordable access is calculated by comparing the health insurance monthly dependent premium to 133 percent of the monthly statewide weighted average child/children premium required by the Missouri Consolidated Health Care Plan. Adjustment to the monthly statewide weighted average, based on changes in the Missouri Consolidated Health Care Plan, shall be calculated yearly in March with an effective date of July 1 of the same calendar year.

(B) Health insurance premiums less than or equal to 133 percent of the monthly average dependent premium required by the Missouri Consolidated Health Care Plan are deemed affordable and shall result in ineligibility for the child/children.

(6) An uninsured child/children with available income less than 226 percent of the federal poverty level shall be eligible for service(s) 30 calendar days after the date the application is received. No service(s) will be covered prior to the effective date which is 30 calendar days after the date the application is received.

(7) An uninsured child/children with available income above 225 percent and below 300 percent of the federal poverty level shall be eligible for service(s) 30 calendar days after the application is received if the required premium has been received.

(A) Parent(s) or guardian(s) of uninsured children with available income above 225 percent and below 300 percent of the federal poverty level are responsible for a monthly premium equal to the statewide weighted average child/children premium required by the Missouri Consolidated Health Care Plan.

(B) The premium must be paid prior to service delivery.

(C) The premium notice shall include information on what to do if there is a change in available income.

(D) No service(s) will be covered prior to the effective date which is 30 calendar days after the date the application is received.

(8) If the parent or guardian discontinues payment of premiums, a past due notice shall be sent requesting remittance within 20 calendar days from date of the letter. Failure to make payment shall result in the child's ineligibility for coverage for the following six (6) months.

(9) Premium adjustments, based on changes in the Missouri Consolidated Health Care Plan, shall be calculated yearly in March with an effective date of July 1 of the same calendar year. Individuals shall be notified of the change in premium amount at least 30 days prior to the effective date.

(10) The six month waiting period and 30 calendar day delay in service delivery is not applicable to a child/children already participating in the program when the parent's or guardian's income changes to a higher poverty level. Coverage shall be extended for 30 calendar days to allow for premium collection and to ensure continuity in coverage. Eligibility shall be discontinued for the child/children if the premium payment is not made within the 30-day extension.

(11) Parent(s) or guardian(s) of uninsured children with available income above 225 percent and below 300 percent of the federal poverty level are responsible for a co-payment at the time of professional service and for prescriptions.

(A) The co-payment is equal to the co-payment required by the Missouri Consolidated Health Care Plan.

(B) Co-payment adjustments, based on changes in the **Missouri Consolidated Health Care Plan**, shall be calculated yearly in March with an effective date of **July 1** of the same calendar year.

(C) Individuals shall be notified of change(s) in the co-payment amount(s) at least 30 days prior to the effective date.

(D) Providers may require payment of the co-payment prior to service delivery and service may be denied for failure to make co-payment. No co-payments shall be required for well-baby and well-child care including age appropriate immunizations.

(12) Parent(s) or guardian(s) of uninsured children with income above 185 percent and at or below 225 percent of the federal poverty level for the household size are responsible for a five dollar co-payment at the time of professional service. Providers may require payment of the co-payment prior to service delivery and may deny services for failure to make co-payment. No co-payments shall be required for well-baby and well-child care including age appropriate immunizations.

(13) The total aggregate cost-sharing for a family covered by this rule shall not exceed five percent of the family's available income for a twelve month period of coverage beginning with the first month of service eligibility. Families responsible for cost-sharing shall be notified of their maximum liability for the twelve month period following service eligibility. When the total aggregate cost sharing has reached five percent of the family's available income all co-payments and premiums shall be waived for the remainder of the 12 month period. Waiver in cost sharing shall be made upon notification and documentation of co-payments from the family that payments have been made up to five percent of their yearly available income.

(14) Uninsured children whose parent(s) or guardian(s) certify their total net worth exceeds two hundred fifty thousand dollars in total value are not eligible for health insurance under this rule.

(15) For the purposes of this rule, children participating in the Missouri Health Insurance Pool are considered insured. Parent(s) or guardian(s) who drop Missouri Health Insurance Pool coverage in order to qualify under this rule shall not be eligible for six months from the month coverage was terminated.

AUTHORITY: sections 208.185, RSMo (Cum. Supp. 1998) and 208.201, RSMo (1994).
Original rule filed

PUBLIC ENTITY COST: This proposed rule will cost approximately \$59.4 million in State Fiscal Year 1999, \$82.6 million in State Fiscal Year 2000, and \$89.8 million in State Fiscal Years 2001 and 2002.

PRIVATE ENTITY COST: This proposed rule will not cost private entities more than \$500. In the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Office of the Director, Division of Medical Services, 615 Howerton Court, Jefferson City, MO 65102-6500. To be considered, comments must be received within thirty calendar days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.

Cycle: FY 99 - CONFERENCE
SOCIAL SERVICES
Medical Services
Enhanced Access to Care for the Uninsured

| | GIR PSD | FEDERAL PSD | HIIF PSD | IRA PSD | OTHER PSD | TOTAL |
|--|-------------|----------------|-------------|-------------|--------------|--------------|
| \$ 11,470 | 0 | 62,300,000 | 0 | 40,600,000 | 0 | 102,900,000 |
| Current Year Appropriations | | | | | | 0 |
| Less Votecs | | | | | | 0 |
| Current Year Planned Expenditures | | 62,300,000 | 0 | 40,600,000 | 0 | 102,900,000 |
| <i>Adjustments to the Core</i> | | | | | | |
| Federal fund participation adjustment | | (199,850) | | 0 | | (199,850) |
| Transfer from various sections for caseload reduce | 11,131,211 | 20,945,620 | 2,428,405 | | | 34,505,236 |
| Transfer from Managed Care (Sec. 11.455) | 264,605 | 1,631,284 | 63,612 | 762,470 | | 2,721,971 |
| Core reduction-excess authority | | (9,474,950) | | (6,225,050) | | (15,700,000) |
| Title I school districts | (1,160,000) | (1,740,000) | | | | (2,900,000) |
| | | | | | | 0 |
| House rounding | (35,816) | (276,369) | (11,217) | (37,270) | | (360,672) |
| | | | | | | 0 |
| | | | | | | 0 |
| | | | | | | 0 |
| Budget Year Base | 10,200,000 | 73,185,735 | 2,480,800 | 35,100,150 | 0 | 120,966,685 |
| Pay Plan N/A | | | | | | |

Care Request

New Decision Items
Additional Authority
Federal Match Rate Adjustment
House adjustment to 125% of poverty for dads
Senate adjustment to 200% of poverty

| | | | | | | |
|---------------------|-------------|--------------|-----------|-------------|---|--------------|
| | 26,814,265 | 619,200 | 0 | | | 27,433,465 |
| | | | 199,850 | | | 199,850 |
| | 2,261,689 | 3,442,445 | | | | 5,704,134 |
| | (3,106,904) | (20,485,449) | 0 | (4,792,640) | | (28,384,993) |
| | | | | | | 0 |
| | | | | | | 0 |
| | | | | | | 0 |
| | | | | | | 0 |
| | | | | | | 0 |
| Decision Item Total | (845,215) | 9,771,261 | 619,200 | (4,592,700) | 0 | 4,952,456 |
| TOTAL | 9,354,785 | 82,956,996 | 3,100,000 | 30,507,360 | 0 | 125,919,141 |

| | | |
|---|---|----------------|
| 4 | Reimbursement Allowance Program and for the expenses of the | |
| 5 | Poison Control Center in order to provide services to all hospitals | |
| 6 | within the state | |
| 7 | From Federal Funds | \$213,000.000E |
| 8 | From Federal Reimbursement Allowance Fund | 140,000.000E |
| 9 | Total | \$353,000.000E |

Section 11.470. To the Department of Social Services

| | | |
|----|--|---------------|
| 2 | For the Division of Medical Services | |
| 3 | For funding programs to enhance access to care for the uninsured using | |
| 4 | fee-for-service, prepaid health plans or other alternative service | |
| 5 | delivery and reimbursement methodology approved by the Director | |
| 6 | of the Department of Social Services | |
| 7 | From General Revenue Fund | \$9,354,785 |
| 8 | From Federal Funds | 82,956,996 |
| 9 | From Federal Reimbursement Allowance Fund and Intergovernmental | |
| 10 | Transfers | 30,507,360 |
| 11 | From Health Initiatives Fund | 3,100,000 |
| 12 | Total (0 F.T.E.) | \$125,919,141 |

Section 11.475. To the Department of Social Services

| | | |
|---|---|----------------|
| 2 | For the Division of Medical Services | |
| 3 | For the purpose of funding uncompensated care hospital payments | |
| 4 | under the Medicaid fee-for-service and managed care programs | |
| 5 | From Federal Funds (0 F.T.E.) | \$184,000.000E |

Section 11.480. There is transferred out of the Treasury, chargeable to

| | | |
|---|--|----------------|
| 2 | the General Revenue Fund, One Hundred Forty Million, Dollars | |
| 3 | (\$140,000,000) to the Federal Reimbursement Allowance Fund to | |
| 4 | provide the state match for federal claims resulting from the | |
| 5 | Medicaid expansion | |
| 6 | From General Revenue Fund | \$140,000.000E |

Section 11.485. There is transferred out of the Treasury, chargeable to the

| | | |
|---|---|--|
| 2 | Federal Reimbursement Allowance Fund, One Hundred Forty | |
| 3 | Million Dollars (\$140,000,000) to the General Revenue Fund | |

Fy99

SECOND REGULAR SESSION
(TRULY AGREED TO AND FINALLY PASSED]
CONFERENCE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1011
89TH GENERAL ASSEMBLY

L8011.04T

1998

AN ACT

To appropriate money for the expenses, grants, and distributions of the Department of Social Services and the several divisions and programs thereof to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, for the period beginning July 1, 1998 and ending June 30, 1999.

Be it enacted by the General Assembly of the state of Missouri, as follows:

There is appropriated out of the State Treasury, to be expended only as **provided** in Article IV, Section 28 of the Constitution of **Missouri**, for the purpose of funding each Department, Division, agency and program enumerated in each section for the item or **items** stated, and for no other purpose whatsoever chargeable to the fund designated, provided, however, that federal funds and block grants shall be administered under the oversight of a committee composed of five members of the House of Representatives, to be appointed **by** the Speaker, five members of the Senate, **to be appointed by the President Pro Tem**, with **no** more than three members from either body **being** of the same political party.. provided that no funds appropriated herein shall be used for **or** certified as match for Welfare to Work federal funds until the Department of Economic Development **has** presented a plan for expenditure of **such** funds by each Private Industry Council (PIC) to the Legislative Block Grant Oversight Committee, for the period beginning July 1, 1998 and ending June 30, 1999, as **follows**:

Section 11.005. To the Department of Social Services

2 For Departmental Administration
3 For the purpose of funding the Office of Director
4 Personal Service S734,706
5 Annual salary adjustment in accordance with Section 105.005, RSMo 4.379

Administrative Rules Stamp

RECEIVED

JUL 15 1998
SECRETARY OF STATE
ADMINISTRATIVE RULES DIVISION

REBECCA MCDOWELL COOK
Secretary of State
Administrative Rules Division
RULE TRANSMITTAL

A "SEPARATE" rule transmittal sheet must be used for EACH individual rulemaking.

Rule Number 13 CSR 70-4.080
Diskette File Name 704.080

Name of person to call with questions about this rule:
Contest Denise Cross Phone (573)751-6922 FAX (573)751-6564
Data Entry Diana Wehrle Phone (573)751-6922 FAX (573)751-6564 Interagency
Mailing Address 615 Howerton Court, Jefferson City, MO 65102
Statutory Provision for Rulemaking
Authority 208.185, RSMo (CumSupp 1998), and 208.201, RSMo (1994) Provide Most Current Year

Date Filed ~~with~~ the Joint Committee on Administrative Rules 7/15/98

| | |
|---|---|
| CHECK, IF INCLUDED: | FORMS, List by Mo-Form Number, # of Pages |
| <input checked="" type="checkbox"/> Cover Letter | _____ |
| <input checked="" type="checkbox"/> Affidavit | _____ |
| _____ Cost Statements | _____ |
| <input checked="" type="checkbox"/> Public Entity Fiscal Note | OTHER <u>diskette</u> |
| _____ Private Entity Fiscal Note | _____ |

RULEMAKING ACTION TO BE TAKEN
_____ Emergency Rulemaking, Must Specify Effective Date _____
☒ Proposed Rulemaking (New Rule or Amendment or Rescission of Existing Rule)
_____ Order of Rulemaking May Specify a Specific Effective Date _____
_____ Withdrawal (Rule, Amendment, Rescission or Emergency)
_____ Rule Action Notice
_____ In Addition

SPECIFIC INSTRUCTIONS

JOINT COMMITTEE ON

JUL 15 1998

ADMINISTRATIVE RULES



MISSOURI
DEPARTMENT OF SOCIAL SERVICES
DIVISION OF MEDICAL SERVICES
P.O. BOX 6500
JEFFERSON CITY
65102-6500

MEL CARNAHAN
GOVERNOR

RELAY MISSOURI
for hearing and speech impaired
TEXT TELEPHONE
1-800-735-2966
VOICE
1-800-735-2466

573-751-6922
July 15, 1998

RECEIVED

JUL 16 1998

SECRETARY OF STATE
ADMINISTRATIVE RULES DIVISION

Honorable Rebecca COOK
Secretary of State
Administrative Rules Division
P.O. Box 778, MSIC
600 W. Main, Room 103
Jefferson City, Missouri 65101


RE: 13 CSR 70-4.080

Dear Ms. Cook:

I do hereby **certify** that the attached is an **accurate and complete copy** of the Proposed Rule **lawfully submitted** by the Division of Medical Services.

The Division of Medical Services has **determined that this proposed rule** will not have an economic impact **on small** businesses..

Statutory authority: Sections 208.185, RSMo (Cum. Supp. 1998) and 208.201, RSMO (1994).



Gregory A. Vadner, Director
Division of Medical Services

Enclosure
Proposed Rule
13 CSR 70-4.080

AFFIDAVIT

STATE OF MISSOURI)
COUNTY OF COLE } =

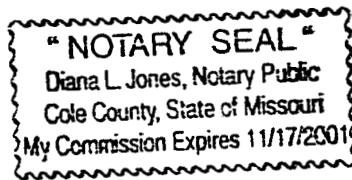
RECEIVED
JUL 16 1998
SECRETARY OF STATE
ADMINISTRATIVE RULES DIVISION

I, Garv J. Stangler, Director of the Department of Social Services, first being duly sworn, on my oath, state that it is my **opinion** that the attached fiscal note estimating the cost of the Proposed Rule to 13 CSR 70-4.080 is a reasonably accurate estimate.

Garv J. Stangler, Director

Subscribed and sworn to before me this 16th day of July, 1998. I am commissioned as a Notary Public within **the County of Cole**, State of **Missouri**, and my commission expires 11/17/01.

Notary Public



JOINT COMMITTEE ON
JUL 16 1998
ADMINISTRATIVE RULES

RECEIVED

JUL 15 1998

SECRETARY OF STATE
JOINT COMMITTEE ON LEGISLATION

JUL 15 1998

ADMINISTRATIVE RULES

Title 13 - DEPARTMENT OF SOCIAL SERVICES

Division 70 -- Division of Medical Services

Chapter 4 - Conditions of Recipient Participation, Rights, and Responsibilities

PROPOSED RULE

13 CSR 70 - 4.080 Children's Health Insurance Program.

PURPOSE: This rule establishes components of the Children's Health Insurance Program which will provide health care coverage to uninsured, low income children pursuant to Senate Bill 632 enacted by the 89th General Assembly, 1998.

(1) Definitions.

(A) Available income. For the purpose of this rule available income shall be defined as the household's total gross income compared to 185 percent, 225 percent and 300 percent of the federal poverty level for the household size.

(B) Cost sharing. Payment of co-payments and premiums.

(C) Children. Persons up to nineteen years of age.

(D) Health Insurance. Any hospital and medical expense incurred policy, nonprofit health care service for benefits other than through an insurer, nonprofit health care service plan contract, health maintenance organization subscriber contract, preferred provider arrangement or contract, or any other similar contract or agreement for the provision of health care benefits. The term "health insurance" does not include short-term, accident, fixed indemnity, limited benefit or credit insurance, coverage issued as a supplement to liability insurance, insurance arising out of a workers' compensation or similar law, automobile medical-payment insurance, or insurance under which benefits are payable with or without regard to fault and which is statutorily required to be contained in any liability insurance policy or equivalent self-insurance.

(2) An uninsured child/children shall not have had health insurance for six months prior to the month of application pursuant to 208.185, RSMo.

(3) If a child/children had health insurance and such health insurance coverage was dropped, within six months prior to the month of application, the child is not eligible for coverage under this rule until six months after coverage was dropped.

(4) The six month period of ineligibility would not apply to children who lose health insurance due to:

(A) A parent's or guardian's loss of employment due to factors other than voluntary termination;

(B) A parent's or guardian's employment with a new employer that does not provide an option for dependent coverage;

(C) Expiration of a parent's or guardian's dependent COBRA coverage period; or

(D) Lapse of a child's (children's) health insurance when maintained by an individual other than custodial parent or guardian.

(5) Parent(s) and guardian(s) of uninsured Children with available income above 225 percent and below 300 percent of the federal poverty level must certify, as a part of the application process, that the child does not have access to affordable employer-sponsored health insurance or other affordable health insurance available

to the parent(s) or guardian(s) through their association with an identifiable group (for example, a trade association, union, professional organization or through the purchase of individual health insurance coverage.)

(A) Affordable access is calculated by comparing the health insurance monthly dependent premium to 133 percent of the monthly statewide weighted average child/children premium required by the Missouri Consolidated Health Care Plan. Adjustment to the monthly statewide weighted average, based on changes in the Missouri Consolidated Health Care Plan, shall be calculated yearly in March with an effective date of July 1 of the same calendar year.

(B) Health insurance premiums less than or equal to 133 percent of the monthly average dependent premium required by the Missouri Consolidated Health Care Plan are deemed affordable and shall result in ineligibility for the child/children.

(6) An uninsured child/children with available income less than 220 percent of the federal poverty level shall be eligible for service(s) from the date the application is received. No service(s) will be covered prior to the date the application is received. *

(7) An uninsured child/children with available income above 225 percent and below 300 percent of the federal poverty level shall be eligible for service(s) 30 calendar days after the application is received if the required premium has been received..

(A) Parent(s) or guardian(s) of uninsured children with available income above 225 percent and below 300 percent of the federal poverty level are responsible for a monthly premium equal to the statewide weighted average child/children premium required by the Missouri Consolidated Health Care Plan.

(B) The premium must be paid prior to service delivery.

(C) The premium notice shall include information on what to do if there is a change in available income.

(D) No service(s) will be covered prior to the effective date which is 30 calendar days after the date the application is received.

(8) If the parent or guardian discontinues payment of premiums, a past due notice shall be sent requesting remittance within 20 calendar days from date of the letter. Failure to make payment shall result in the child's ineligibility for coverage for the following six (6) months.

(9) Premium adjustments, based on changes in the Missouri Consolidated Health Care Plan, shall be calculated yearly in March with an effective date of July 1 of the same calendar year. Individuals shall be notified of the change in premium amount at least 30 days prior to the effective date.

(10) The six month waiting period and 30 calendar day delay in service delivery is not applicable to a child/children already participating in the program when the parent's or guardian's income changes to a higher poverty level. Coverage shall be extended for 30 calendar days to allow for premium collection and to ensure continuity in coverage. Eligibility shall be discontinued for the child/children if the premium payment is not made within the 30-day extension.

(11) Parent(s) or guardian(s) of uninsured children with available income above 225 percent and below 300 percent of the federal poverty level are responsible for a co-payment at the time of professional service and for prescriptions.

(A) The co-payment is equal to the co-payment required by the Missouri Consolidated Health Care Plan.

(B) Co-payment adjustments, based on changes in the Missouri Consolidated Health Care Plan, shall be calculated yearly in **March** with an effective date of **July 1** of the same calendar year.

(C) Individuals shall be notified of **change(s)** in the **co-payment amount(s)** at least 30 days prior to the effective date.

(D) Providers may require payment of the co-payment prior to service **delivery** and service may be denied for failure to make co-payment. **No** co-payments shall be required for well-baby and well-child care including age appropriate immunizations.

(12) Parent(s) or guardian(s) of uninsured children with income above 185 percent and at or below 225 percent of the federal poverty level for the household size are responsible for a fivedollar co-payment at the time of professional service. Providers may require payment of the co-payment prior to service delivery and may deny services for failure to make co-payment. **No** co-payments shall be required for well-baby and well-child care including age appropriate immunizations.

(13) The total aggregate cost-sharing for a family covered by this rule shall not exceed five percent of the family's available income for a twelve month period of coverage beginning with the first month of service eligibility. Families responsible for cost-sharing shall be notified of their maximum liability for the twelve month period following **service** eligibility. When the total aggregate cost sharing has reached five percent of ~~the~~ family's available income all co-payments and premiums shall be waived for the remainder of the 12 month period. Waiver in cost sharing shall be made upon notification and documentation of co-payments from ~~the~~ family that payments **have** been made up to five percent **of** their yearly available income.

(14) Parents of uninsured children must certify that their total net worth does **not** exceed two hundred fifty thousand dollars to be eligible for health insurance under this rule.

(15) For the purposes of this rule, children participating in the Missouri Health Insurance Pool are considered insured. **Parent(s)** or **guardian(s)** who drop **Missouri** Health Insurance Pool coverage in order to qualify under this rule shall not be **eligible** for six months from the month coverage was terminated.

AUTHORITY: Sections 208.185, RSMo (Cum. Supp. **1998**) and 208.201, **RSMo** (1994). Original rule filed July 15, 1998.

PUBLIC ENTITY COST: This proposed rule will cost approximately \$59.4 million in State Fiscal Year 1999, **\$82.6** million in State **Fiscal** Year 2000, and **\$89.8** million in State Fiscal Years 2001 and 2002.

PRIVATE ENTITY COST: This proposed rule will not cost private entities more than \$500. In the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support *of or* in opposition to this proposed rule with the Office of the Director, Division of Medical Services, 615 Howerton Court, Jefferson City, MO 65102-6500. To be considered, comments must be received within thirty calendar days after publication of ~~this~~ notice in the *Missouri Register*. **No** public hearing **is** scheduled.

FISCAL NOTE
PUBLIC ENTITY COSTS

I RULE NUMBER

Title: Department of Social Services
Division: Division of Medical Services
Chapter: Conditions of Recipient Participation, Rights and Responsibilities

Type of Rulemaking (Rule Number and Name): Proposed Rule 13 CSR 70-4.080 – Children’s Health Insurance Program on July 15, 1998 by the Division of Medical Services.

Affected Agencies: (state agencies and political subdivisions): Missouri Department of Social Services; Division of Medical Services.

II SUMMARY OF FISCAL IMPACT

| Aggregate Cost | | | |
|---------------------|---------------------|---------------------|--------------|
| FY 1999 | FY 2000 | FY 2001 | FY 2002 |
| 58.9 - 59.4 million | 81.8 - 82.6 million | 88.9 - 89.8 million | 97.5 million |

III, IV WORKSHEET ASSUMPTIONS

Assumptions and methodology used in arriving at state fiscal impact (List all references, personnel, and expenses and equipment to be requested by program in the bill.)

The DMS assumes eligible children’s family income represented by a percentage of the federal poverty level would be rounded to the nearest percentage point. The DMS assumes children in the eligible populations do not have access to insurance with premiums less than 133% of the Missouri consolidated health plan premiums. Currently, 133% of the average Missouri consolidated health plan premium is estimated at \$86. The DMS assumes the eligible children do not have family net worth in excess of \$250,000. The cost of providing health care services to the eligible uninsured populations covered in the proposed rule are as follows:

| | FY99 | FY00 | FY01 |
|--------------------------|--------------|--------------|---------------|
| Population | 68,476 | 69,708 | 70,839 |
| Rate PMPM* | \$106.43 | \$111.37 | \$117.88 |
| Months in Program | 9.3041** | 12.00 | 12.00 |
| PMPM* Costs | \$67,807,426 | \$93,160,602 | \$100,205,613 |
| Population Receiving | | | |
| Maternity Benefits | 1,095 | 1,113 | 1,128 |
| Kick Payment per Birth | \$3,424.95 | \$3,562.92 | \$3,741.46 |
| Percentage of Year | 77.53% | 100.00% | 100.00% |
| Maternity Benefits Costs | \$2,907,783 | \$3,955,530 | \$4,221,626 |
| Total Medical Costs | \$70,715,209 | \$97,126,132 | \$104,427,239 |

| | | | |
|---------------------------|----------------|----------------|----------------|
| Less Copayments | (\$2,902,218) | (\$3,810,489) | (\$3,872,314) |
| Less Premiums | (\$10,484,243) | (\$13,765,365) | (\$13,988,706) |
| Plus Collection Fee (15%) | \$1,572,636 | \$2,064,805 | \$2,098,306 |
| Total Children's Cos: | \$58,901,384 | \$81,615,082 | \$88,664,525 |

PMPM = per member per month.

** The ten month costs assumes the services will be effective for ten months with payments one month in arrears.

The DMS assumes that premiums would be collected in the amount of \$10,484,243 for FY99. The DMS assumes that premium collections will be performed by a contracted agent of the OMS. The OMS assumes that the contracted agent will charge a fifteen percent (15%) fee for premiums collected. The DMS assumes that copayments would be collected in the amount of \$2,902,218 for FY99 based on utilization of the MC+ program,. The DMS assumes copayments will be collected by the providers. The DMS assumes enrolled children will not fail to pay premiums or copayments.

The cost of wellness visits and immunizations is based on historical Medicaid costs. For purposes of the fiscal note, the DMS assumes the children under this program will receive a Medicaid benefits package less non-emergency medical transportation (NEMT) services.

The DMS assumes the expenditures ranging from \$0 to \$594,964 for the 1999 fiscal year will be spent on outreach for children's programs. In fiscal years 2000 and 2001 the DMS assumes expenditures of \$0 to \$826,802 and \$0 to \$898,009, respectively.

| | | | |
|----------------------------------|----------------|----------------|----------------|
| Total Fiscal Impact | FY99 | FY00 | FY01 |
| Program Costs | \$70,715,209 | \$97,126,132 | \$104,427,239 |
| Cost Sharing | (\$11,813,825) | (\$15,511,050) | (\$15,762,714) |
| Studies | \$0 | \$238,295 | \$238,295 |
| Outreach Program | \$0-\$594,964 | \$0-\$826,802 | \$0-\$898,009 |
| Total Fiscal Impact Range (low) | \$58,901,384 | \$81,853,377 | \$88,902,820 |
| Total Fiscal Impact Range (high) | \$59,496,348 | \$82,680,179 | \$89,800,829 |

Funding sources available for health care coverage of the uninsured children would include general revenue, federal reimbursement allowance (FRA) funds, health initiative fund (HIF), and federal funds. The federal funds available to children's health care coverage would be matched against state funding sources at an enhanced rate due to the State Children's Health Insurance Program (CHIP) that was included in the federal Balanced Budget Act of 1997. General revenue, FRA funds and HIF would be utilized through transfers from other program cores for health care coverage.

The fiscal impact for FY02, \$97.5 million, was calculated by applying the percentage increase from FY00 to FY01, 8.6%, to the FY01 impact.

Missouri Medicaid

1115 Waiver Amendment

Mel Carnahan
Governor

Submitted to the
U.S. Department of Health & Human Services
August 26, 1997
Revised February 13, 1998

information which is necessary for the committee to begin the review process. Upon completion of the form the medical review process is initiated. Records of all requests are maintained and quarterly reports prepared which outline the request, committee decision, and health plan response.

Evaluation

As required by Missouri's 1915(b) waiver, the Health Services Management Group of the University of Missouri-Columbia performed an independent external review of the quality of services furnished by each health plan in the eastern and central MC+ regions of Missouri, the accessibility to care within the plans, and the balance between cost to provide services and quality of care under MC+. Medical record review for the evaluation was conducted through a subcontract with the Missouri Patient Care Review Foundation. The results of the review were provided in the 1915(b) waiver renewal application,

To assure access to quality services funded by the new State Children's Health Insurance Program and this 1115 waiver, the Department of Social Services will employ a variety of methods to measure outcomes. This includes an annual external review administered by an independent professional review organization (PRO) or PRO-like entity. A successful managed care program must identify and intervene with high risk enrollees to keep their health costs down and to provide quality care responsive to the enrollees' health problems. As the preceding statement indicates, the costs of providing care must be balanced with the quality of care delivered to ensure that the enrollees' health problems are appropriately addressed. A critical component in ensuring that the services being delivered to Missouri MC+ recipients are appropriate and of high quality is the independent external review of the process and the outcomes achieved. The purpose of the external review function is:

- ◆ To provide the state and federal governments an independent assessment of the balance between cost to provide services and quality of care and accessibility to health care delivered to Missouri MC+ recipients; and
- ◆ To identify problems in health care and contribute to improving the care of all Missouri MC+ risk-reimbursed HMOs.

Assessing the quality of care delivered to Missouri MC+ recipients includes a variety of analyses:

- ◆ What services are provided to the current Medicaid population and expanded population that have a major impact on the health status of the population being evaluated? That is, are the services being provided those services which should be provided?
- ◆ Are the services being provided by the health plans accessible? Are the health plans delivering the services at a quality level consistent with pre-determined standards of practice? This includes a comparison of accepted treatment

guidelines/protocols with actual treatment processes. It also compares actual access times for appointments, referrals, on-site waiting time, and knowledge of accessibility by MC+ participants with acceptable standards.

- ◆ Are the reports and data being collected by the Missouri MC+ program and the program for the expanded eligibles appropriate and sufficient to answer the above questions on a continuing basis?

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
CONFERENCE COMMITTEE SUBSTITUTE FOR
HOUSE SUBSTITUTE FOR
SENATE SUBSTITUTE NO. 2 FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO, 632
89TH GENERAL ASSEMBLY
1998

S2871.23T

AN ACT

To amend chapter 208, RSMo, by adding thereto ~~two~~ new sections relating to providing health ~~care~~ coverage through Medicaid for ~~certain~~ uninsured children, ~~with an~~ expiration date for a ~~certain~~ section.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 208, RSMo, is amended by adding thereto ~~two new~~ sections, to be ~~known~~ as sections 208.185 and 208.187, to read as follows:

208.185. 1. Notwithstanding any other provision of ~~law to the contrary, the~~ department of ~~social services shall~~ establish a program to pay for health ~~care for~~ uninsured ~~children~~. Coverage pursuant to ~~sections 208.185 and 208.187 is subject~~ to appropriation- The ~~provisions of this section shall be~~ void and of no effect ~~after~~ July 1, 2002.

2. For the purposes of this ~~section~~, "children" are persons up to ~~nineteen~~ years of age. ~~"uninsured children" are~~ persons up to ~~nineteen years~~ of age who have not had access to employer-subsidized health ~~care insurance or~~ other health ~~care~~ coverage for ~~six~~ months prior to application, ~~are~~ residents of the ~~state~~ of Missouri, and have parents or ~~guardians~~ who meet the requirements in subsection 4 of this section A child who is eligible for medical assistance as authorized in ~~section~~ 208.151, ~~is~~ not uninsured for the purposes of this ~~section~~.

3. The department of social services ~~is~~ authorized to pay for coverage of health care services for uninsured children whose ~~parents or guardians have an~~ available income between ~~zero~~ percent and one hundred eighty-five percent, ~~between~~

16 one hundred eighty-six percent and **two** hundred twenty-five percent, ~~between two~~
17 hundred twenty-six percent and **two** hundred **fifty** percent, between **two** hundred
18 **fifty-one** percent and **two** hundred seventy-five percent and between **two** hundred
19 seventy-six percent and three hundred percent ~~of~~ the federal poverty level ~~subject~~
20 to appropriation.

21 **4. Parents and guardians of uninsured children** eligible for the **program**
22 established in this **section shall:**

23 (1) ~~Furnish~~ to the department of *social services* the ~~uninsured child's~~ **social**
24 security number or numbers, if the uninsured **child has more** than one **such** number ;

25 (2) Cooperate with the department of *social services* in identifying and
26 providing **information** to assist the **state** in pursuing **any** third-party **insurance**
27 carrier who **may** be liable to pay for health *care*;

28 (3) Cooperate with the department ~~of social services, division of child support~~
29 enforcement in establishing paternity and in **obtaining** support payments, **including**
30 medical support;

31 (4) Demonstrate upon request their child's participation in wellness programs
32 including immunizations and a periodic physical examination. ~~This subdivision shall~~
33 not apply to **any** child whose parent or legal *guardian* objects in writing to **such**
34 wellness **programs including immunizations and an annual physical examination**
35 **because of religious beliefs or** medical contraindications; and

36 (5) Demonstrate annually that their **total** net worth **does** not exceed **two**
37 hundred **fifty thousand** dollars in **total** value.

38 **5. Parents and guardians of uninsured children** with available ~~incomes~~
39 between one hundred eighty-six and **two** hundred twenty-five percent of the ~~federal~~
40 poverty level ~~are responsible for a~~ five-dollar copayment,

41 **6. Parents and guardians of uninsured children** with ~~incomes~~ between ~~two~~
42 hundred twenty-six and three hundred percent of the federal poverty level ~~who do~~
43 not have access to affordable employer-sponsored health *care insurance* or ~~other~~
44 affordable health *care* coverage **may** obtain coverage pursuant to this
45 **subsection**. For the purposes of this **section**, "affordable employer-sponsored health
46 *care insurance* or other affordable health *care* coverage" refers to health **insurance**
47 requiring a monthly premium less than or equal to one hundred thirty-three percent
48 of the monthly average premium required in the **state's** current Missouri
49 **consolidated** health care plan. The parents **and guardians of** eligible **uninsured**
50 children pursuant to this subsection are responsible for co-payments equal to the
51 average co-payments required in the current Missouri consolidated health *care plan*
52 rounded to the nearest dollar, and a monthly premium **equal to the** average **premium**

53 required for the Missouri consolidated health care plan; provided that the total
54 aggregate cost-sharing for a family covered by these sections shall not exceed five
55 percent of such family's income for the years involved. No copayments or other cost
56 sharing is permitted with respect to benefits for well-baby and well-child care
57 including age appropriate immunizations. Cost-sharing provisions pursuant to this
58 section shall not exceed the limits established by 42 U.S.C. Section 1397cc(e).

59 7. The department of social services shall implement policies establishing a
60 program to pay for health care for uninsured children by rules promulgated
61 pursuant to chapter 536, RSMo, either statewide or in certain geographic areas,
62 subject to obtaining necessary federal approval and appropriation authority. The
63 rules may provide for a health care services package that includes all medical
64 services covered by section 208.152, RSMo, except nonemergency transportation.

65 8. Available income shall be determined by the department of social services
66 by rule, which shall comply with federal laws and regulations relating to the state's
67 eligibility to receive federal funds to implement the insurance program established
68 in this section.

69 9. There shall be a thirty day waiting period after enrollment for uninsured
70 children in families with an income of more than two hundred twenty-five percent
71 of the federal poverty level before the child becomes eligible for insurance under the
72 provisions of sections 208.185 to 208.187. If the parent or guardian with an income
73 of more than two hundred twenty-five percent of the federal poverty level fails to
74 meet the copayment or premium requirements, the child shall not be eligible for
75 coverage under this act for six months after the department provides notice of such
76 failure to the parent or guardian.

77 10. The department of social services shall commission a study on the impact
78 of this program on providing a comprehensive array of community-based wrap
79 around services for seriously emotionally disturbed children and children affected by
80 substance abuse. The department shall issue a report to the general assembly
81 within forty-five days of the twelve-month anniversary of the beginning of this
82 program and yearly thereafter. This report shall include recommendations to the
83 department on how to improve access to the provisions of community-based wrap
84 around services pursuant to sections 208.185 and 208.187.

85 11. The department of social services shall prepare an annual report to the
86 governor and the general assembly on the effect of this program. The report shall
87 include, but is not limited to:

88 (1) The number of children participating in the program in each income
89 category;

90 (2) The effect of the program on the number of ~~children~~ covered by private
91 insurers;

92 (3) The effect of the program on ~~medical~~ facilities, particularly ~~emergency~~
93 ~~rooms~~;

94 (4) The overall effect of the program on the health care of ~~Missouri residents~~;

95 (5) The overall cost of the program to the state of Missouri; and

96 (6) The methodology used to determine availability for the purpose of
97 enrollment, as established by rule.

98 12. The department of ~~social services~~ shall establish an ~~identification~~
99 program to identify ~~children~~ not participating in the program though eligible for
100 extended medical coverage. The department's efforts to identify these ~~children~~ and
101 ~~children~~ shall include, but not be limited to:

102 (1) Working closely with hospitals and other medical facilities; and

103 (2) ~~Establishing a~~ statewide education and ~~information~~ program-

104 13. The department of ~~social~~ services shall ~~commission a study on any~~
105 negative impact ~~this program may have on the number of children covered by private~~
106 ~~insurance as~~ a result of expanding health care coverage to ~~children~~ with a gross
107 family income above one hundred eighty-five percent of the federal poverty
108 level. The department shall issue a report to the general assembly within ~~forty-five~~
109 days of the twelve-month anniversary of the beginning of this program and annually
110 thereafter. If this study demonstrates that a measurable negative impact on the
111 number of privately insured ~~children~~ is occurring, the department shall take one or
112 more of the following measures targeted at eliminating the negative impact:

113 (1) Implementing additional copayments, sliding scale premiums or other
114 cost-sharing provisions;

115 (2) Adding an insurability test to preclude participation;

116 (3) ~~Increasing~~ the length of the required period of uninsured status prior to
117 application;

118 (4) Limiting enrollment to an annual open enrollment period for ~~children~~
119 with gross family incomes above one hundred eighty-five percent of the federal
120 poverty level. and

121 (5) Any other measures designed to efficiently respond to the measurable
122 negative impact.

123 14. No funds used to pay for insurance or for services pursuant to this
124 section may be expended to encourage, counsel or refer for abortion unless the
125 abortion is done to save the life of the mother or if the unborn child is the result of
126 rape or incest- No funds may be paid pursuant to this section to any person or

127 organization that performs abortions or ~~counsels~~ or refers for abortion ~~unless the~~ :
128 abortion ~~is~~ done to save the life of the mother or if the unborn child is the result of
129 rape of incest.

130 15. Any rule or portion of a rule, as that term ~~is~~ defined in ~~section 536.010,~~
131 RSMo, that ~~is~~ promulgated under the ~~authority~~ delegated in this chapter ~~shall~~
132 become effective ~~only~~ if the agency has ~~fully~~ complied with ~~all of~~ the requirements
133 of chapter 536, RSMo, including but not limited to, section 536.028, RSMo, if
134 applicable, after the effective date of this act. All rulemaking authority delegated
135 prior to the effective date of ~~this~~ act is of no ~~force~~ and ~~effect~~ and repealed as of the
136 effective date of this act, however, nothing in ~~this~~ section shall be interpreted to
137 repeal or affect the validity of any rule adopted or promulgated prior to the effective
138 date of ~~this~~ act. If the provisions of section 536.028, RSMo, apply, the provisions of
139 ~~this section~~ are nonseverable and if any of the powers vested with the general
140 assembly pursuant to section 536.028 to review, to delay the effective date,, or to
141 disapprove and annul a rule or portion of a rule are held unconstitutional or invalid,
142 the purported grant of rulemaking authority and ~~any rules~~ so proposed and contained
143 in the order of rulemaking shall be invalid and void, except that ~~nothing in this act~~
144 shall affect the validity of any rule adopted and promulgated prior to the effective
145 date of this act.

208.187. Up to ten percent of any federal funds received pursuant to the
2 provisions of Title XXI of the Social Security Act and up to ten percent of any state
3 funds used to match those federal funds may be used for outreach through the
4 division of medical services for children's health programs established through
5 section 208.185. The division of medical services may contract with local public
6 health agencies for purposes of this section- The provisions of this Section shall be
7 subject to appropriations.

E